

**Minutes of the Meeting of the
Jasper Economic Development Commission
November 14, 2012**

The Jasper Economic Development Commission met on Wednesday, November 14, 2012 in the Council Chambers of City Hall located at 610 Main Street. Notice was given in compliance with Indiana's Open Meeting Law.

CALL TO ORDER

President Andrew Seger called the meeting to order at 7:30 a.m.

ROLL CALL

Member Andrew Seger	present
Member Jim Skillman	present
Member Robert Whitten	present
Member Mark Schmidt	present
Member Ray Snowden	present

Also present:

Renee Kabrick - Commission's Attorney

Kathy Pfister – Recording Secretary

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

APPROVAL OF MINUTES

Ray Snowden made a motion to approve the Commission's minutes from their September 12, 2012 meeting as presented. Robert Whitten seconded the motion. The motion carried 5-0. Due to no business at hand, there was no October meeting.

TAX ABATEMENT REQUEST

KIMBALL HOSPITALITY – PERSONAL

Dean Vonderheide, Vice President of Organizational Effectiveness for Kimball International, appeared before the Commission to request tax abatement for an expansion to manufacture Kimball Hospitality casegoods domestically at the Kimball Hospitality facility located at 1180 East 16th Street. Also present was Tony Ferguson, Director of Global Supply, Kimball Hospitality and Ruth Goepfrich, who is part of the organizational effectiveness team.

There are three areas in consideration for the expansion. While Jasper is Kimball's first choice, the company is also looking at Martinsville, Virginia and Salem, Indiana. Mr. Vonderheide explained that Jasper is an ideal location since the samples are already made here, and the engineering department is also locally staffed.

Mr. Vonderheide discussed information contained on the application. There would be 20 new positions, with an average wage of \$13.10/hour and totaling approximately \$500,000.00 in annual base wages. Standardized benefits would include a 401(k) Retirement Plan, Dental Insurance, Vision Coverage, Short and Long Term Disability, Life, AD&D and Family Life Insurance, Accident and Critical Illness Insurance and Paid Time Off. The company is involved

in community involvement and has supported a wide range of Jasper and local community initiatives. Kimball has an intern program which provides opportunities for education/experience for college students. Mr. Vonderheide expressed the company's pride in its green technology and stated that halogen (lights) drying ovens would be used in the building in lieu of a gas system.

The existing building has been underutilized for nearly 10 years; approximately 30% of it is currently being used. Kimball Hospitality intends to invest nearly \$1.6 million in new equipment that would be installed. With this new line, Kimball Hospitality will bring to Jasper a new manufacturing technique. However, because the Jasper workforce is skilled in manufacturing, Kimball Hospitality should have no problem obtaining qualified workers to man the new positions.

President Seger inquired about the specialization of the new products. Mr. Ferguson explained that the new machines take up a smaller footprint and have improved productivity.

Mr. Ferguson said the customer base is demanding North American products. Mr. Snowden asked if the company is anticipating any future growth due to the new trend, and if so, are there plans to be able to expand. Mr. Ferguson said the company is optimistic and foresees the possibility of double shifts if the product is successful. If the application is approved, Kimball Hospitality plans to start hiring in December, 2012, with operation to begin in January or February of 2013.

Following Kimball's presentation and further discussion, the Board scored the following evaluation criteria:

• New Investment in Property and Equipment (accessed valuation):	<u>Points</u>
(\$1,000,000 - \$1,999,999)	21
• New employment: number of full-time equivalent (FTE) jobs	24
(20 new FTE)	
• New employment wage level:% above state minimum wage	21
(Score reflects the midpoint of incentive range)	
• Infrastructure requirements already in place:	
Adequate road	1
Water	1
Wastewater	1
Electric Service	1
Gas	1
• Years the applicant has operated in Jasper	
(9 or more years)	5
Total base points (out of 100)	76

- Targeted business bonus points 4
 (*Targeted businesses include those in Measuring, Testing & Navigational Instrument Manufacturing, Specialty Food Manufacturing, Durable Goods/Wholesaling/Distribution, Specialty Manufacturers such as medical, athletic, game, toy & children's vehicle manufacturing, and Crane Naval Surface Warfare Center Vendors (as identified in the Dubois County Area Development Corporation's most recent Business Target Recommendations for Dubois County)
President Seger said he considers Kimball Hospitality's new process as specialty manufacturing. By consensus, the Board shared their appreciation in bringing some of the specialty work back from overseas to this area.

• Utilizes ‘green’ technology	2
• Use of existing vacant structure (Points awarded based on actual vacant structure to be used) <i>The Board was in agreement that a building that is 2/3 empty (as is in this case) could be totally empty if not given a chance to be at least partially utilized.</i>	4
• Offers Employer-sponsored health and wellness benefits	2
• Offers Employer-sponsored retirement plan	2
• Community Involvement	1
• Use of local suppliers/contractors in construction/operation of project	1
• Offers mentoring/internship program	1
Total bonus points	17
Total points possible with bonus points (120)	Final Score 93

Member Ray Snowden made a motion to recommend that the Common Council adopt the presented tax phase-in score sheet and local guidelines, resulting in a 10-year abatement for Kimball Hospitality with a 10-year time period and schedule as follows: Years 1-7– 100%, Year 8 – 75% and Year 9 – 50% and Year 10 – 25%. Member Mark Schmidt seconded the motion. Motion carried 5-0.

ADJOURNMENT

There being no further business to come before the board, a **motion** was made by President Seger and seconded by Mark Schmidt to adjourn the meeting. The motion carried 5-0, and the meeting adjourned at 8:56 a.m.

Andrew M. Seger, President

ATTEST:

Mark R. Schmidt, Secretary